

VZCZCXRO4957
RR RUEHIK
DE RUEHRO #1200 3031625
ZNR UUUUU ZZH
R 301625Z OCT 09
FM AMEMBASSY ROME
TO RUEHC/SECSTATE WASHDC 2826
INFO RUEHBS/USEU BRUSSELS 4872
RUCNMEM/EU MEMBER STATES COLLECTIVE

UNCLAS ROME 001200

SENSITIVE
SIPDIS

STATE PASS TO USTR FOR TANUJA GARDE
STATE ALSO PASS TO USTR FOR DAWN SHACKLEFORD
STATE FOR EEB/TPP/MTAA

E.O. 12958: N/A

TAGS: [ECON](#) [ETRD](#) [EUN](#) [KIPR](#) [IT](#)

SUBJECT: ITALIAN RESPONSE TO USG OBJECTIONS TO EC/SWISS POSITIONS ON
GEOGRAPHICAL INDICATIONS

Ref: State 104985

1. (SBU) Summary. GOI interlocutors remain unmoved from their support for the EU/Swiss Geographic Indicators proposal. End Summary

12. (SBU) Ambassador Benedetto Francese, WTO Office Director at the Ministry of Foreign Affairs, gave ECON and FAS EmbOffs on October 29 an expanded Italian response to reftel points (USG opposition to EU and Swiss Government proposals on Geographic Indicators and the Convention on Biological Diversity). Separately, the Ministry of Agriculture sent Post a brief written reply stating that Italian Agriculture Minister Zaia has a stronger position (more GI protection) than the EU/Swiss proposal. Post also delivered reftel points to the Ministry of Economic Development (trade) but did not receive a substantive response.

13. (SBU) Francese said Italy's support for the EU/Swiss proposal is based on its desire for an expanded and strengthened GI protection regime. He explained that Italy wants greater GI protection for Italian "consumer products" (i.e. agriculture and textile) to confront serious challenges posed by the counterfeiting of Italian products in developing countries such as China and India. Francese expressed Italian surprise at USG opposition to the EU/Swiss proposal because he said the volumes of US exports involved in the GIs debate are small compared to EU and Italian exports. He speculated that in this respect the USG opposition to the EU/Swiss proposal is based on principle rather than concerns for significant negative impact on U.S. exports. EmbOffs underlined reftel points that the current TRIPS system provides sufficient protection. Francese agreed that the U.S. patent and trademark system provides enough protection to Italian products, but he reiterated that Italy is more concerned with greater protection in developing markets where the legal system is not as robust. Francese argued that the GI system protects the indigenous manufacturing process tied to a region, and not the product per se, and said general international rules to protect such processes are needed. Francese said Italy hoped the USG would reconsider its position.

14. (SBU) In response to EmbOffs reftel points that the EU/Swiss proposals may create an impasse in WTO negotiations, Francese suggested working towards a compromise. While not an official Italian position, he said that putting a cap on the number of GI-protected products may be something that both sides could consider. Francese concluded that Italy would welcome bilateral discussions to clarify positions and find a way forward.

THORNE